

**BYLAWS  
OF THE  
GLEN ELLYN ROTARY CLUB FOUNDATION, INC.**

**Adopted by the Glen Ellyn Rotary Club Board of Directors, June 15, 2017**

**ARTICLE I**

**AMENDMENT AND RESTATEMENT OF BYLAWS**

These Bylaws (the "Amendment Bylaws") constitute an Amendment and Restatement of the Bylaws of the GLEN ELLYN ROTARY CLUB FOUNDATION, INC. (the "Foundation") and effective with the adoption of the amendment Bylaws shall constitute a revocation of the existing Bylaws of the Foundation.

**ARTICLE II**

**AFFILIATION WITH THE ROTARY CLUB OF GLEN ELLYN**

Section 1       Affiliation

1.1       The Foundation was formed by, and for the purpose of, assisting the Rotary Club of Glen Ellyn (the "Rotary Club") in fund raising, by securing the designation of a charitable organization qualified to receive charitable donations under the provisions of Section 501 (C)(3) of the Internal Revenue Code (the "Code"). The Foundation has been designated as a so-called "Section 501 (C)(3) organization" so that persons making contributions to it may deduct the amount of their contributions from their income to the extent permitted by law.

1.2       Except for specific powers delegated to the Board of Directors, the Foundation, as an affiliate organization of the Rotary Club, is subject to the direction and authorization of the Rotary Club.

1.3       Notwithstanding the foregoing, no action shall be taken by the Foundation whether or not authorized or directed by the Rotary Club, which is contrary to the provisions of the Code, and its applicable Regulations, which would in any way jeopardize the Foundation's qualifications as an Internal Revenue Code Section 501 (C)(3) organization.

Section 2       Membership

2.1       All members in good standing of the Rotary Club shall, without additional dues or fees, be deemed to be members of the Foundation. The termination of a member from the Rotary Club shall constitute the termination of membership of the Foundation.

2.2       Club Assembly Meetings of the Rotary Club which include presentations regarding the business and activities of the Foundation shall constitute Foundation member

meetings. Such meetings shall be held at such times as the Rotary Club Board of Directors shall determine but not less frequently than annually. Matters relative to notice, matters to be voted upon, right to vote, quorum and members' rights generally shall be determined by the Rotary Club and its bylaws.

### **ARTICLE III**

#### **DIRECTORS**

##### Section 1      General Powers

1.1      Subject to the powers reserved by the Rotary Club, the business of the Foundation shall be managed by and under the direction of its Board of Directors.

##### Section 2      Number, Term

2.1      There shall be nine (9) directors of the Foundation. Each director shall serve a term of one (1) year, beginning July 1 of each year and ending on June 30.

2.2      All directors shall be appointed by the President of the Rotary Club with such consent of the Board of Directors of the Rotary Club as may be required by its Bylaws or other such internal instruments.

2.3      Unless extenuating circumstances prevent their acceptance of an appointment to the Foundation Board of Directors, the following five (5) individuals shall be appointed to the Foundation Board: the Immediate Past President, President, President-Elect, Club Service Director, and International Service Director of the Rotary Club. All four (4) remaining positions on the Foundation Board of Directors shall be appointed by the President of the Foundation Board with such consent of the Board of Directors of the Rotary Club.

##### Section 3      Regular Meetings

3.1      Regular meetings of the Board of Directors shall be held at such times as the Board shall determine and shall be held not less frequently than quarter-annually. The Board of Directors may provide, by resolution, the time for holding of additional regular meetings without other notice than such resolution. Unless otherwise determined by the Board of Directors, all meetings shall be held within, or within close proximity to the corporate limits of the Village of Glen Ellyn, Illinois.

##### Section 4      Special Meetings

4.1      Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place as the place for holding any special meeting of the Board of Directors called by them.

##### Section 5      Notices

Section 5.1      Notice of any special meeting shall be given at least seven (7) days previous thereto by written or electronic notice to each Director at his/her preferred address. If

mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid or when electronically transmitted to a member's known email address. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 6      Quorum

6.1      A majority of the number of Directors fixed by these Bylaws shall constitute a quorum for transaction of business at any meeting of the Board of Directors, provided that if less than a majority of such number of Directors are present at a meeting, a majority of Directors present may adjourn the meeting at any time without further notice.

Section 7      Manner of Action

7.1      The act of the majority of the Directors present at a meeting in which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by Statute, these Bylaws, or the Articles of Incorporation.

Section 8      Vacancies

8.1      Any vacancy occurring in the Board of Directors, including a vacancy occurring as a result of the removal of a Director, and any directorship to be filled by reason of an increase in the number of Directors, shall be filled by appointment by the President of the Rotary Club with such consent of the Board of Directors of the Rotary Club.

Section 9      Removal of Directors

9.1      A Director shall be removed from office in the event of the occurrence of any one of the following: (a) a Director shall cease to be a member in good standing of the Rotary Club; (b) a Director shall resign; or (c) the Director shall be removed from office by the Board of Directors of the Rotary Club.

Section 10      Action Without a Meeting

10.1      Unless specifically prohibited by the Articles of Incorporation or these Bylaws, any action required to be taken at a meeting of the Board of Directors, or any other action which may be taken at a meeting of the Board of Directors or a committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof, or by all the members of such committee, as the case may be. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more Directors. All the approvals evidencing the consent shall be delivered to the Secretary to be filled in the Corporate Records. The action taken shall be effective when all the Directors have approved the consent unless the consent specifies a different effective date. Any consent signed by all the Directors or all the members of the committee shall have the same

effect as a unanimous vote, and may be stated as such in any document filled with the Secretary of State of Illinois or any other entity.

Section 11 Compensation

11.1 No person shall be compensated for service on the Board of Directors of the Foundation. The Foundation may, however, reimburse any director for expense incurred by him or her for matters related to the business of the Foundation.

Section 12 Committees

12.1 The Board of Directors may establish such committees as it deems necessary and appropriate to carry out the business of the Foundation. At least two (2) board members shall be members of each committee constituted by the Board of Directors.

12.2 The duties, authority and duration of each committee shall be as determined by the Board of Directors. Unless otherwise provided in a resolution providing for the establishment of a committee, the term of all committees shall expire on June 30<sup>th</sup> of each year.

**ARTICLE IV**

**OFFICERS**

Section 1 Number

1.1 The officers of the Foundation shall be a President, Vice President, Treasurer and Secretary. No two offices may be held by the same person.

Section 2 Election and Term of Office

2.1 The President of the Foundation shall be appointed by the President of the Rotary Club.

2.2 All other officers of the Foundation shall be elected by the Board of Directors at the next meeting following the installation of the Board of Directors.

Section 3 Removal

3.1 Any officer may be removed by the Board of Directors of the Rotary Club at a meeting called for that purpose, provided that the officer which is the subject of the meeting shall receive notice of the meeting.

Section 4 President

4.1 The President shall be the chief executive officer of the Foundation. Subject to the direction and control of the Board of Directors, the President shall: (a) be in charge of the business of the Foundation; (b) see that the resolutions and directions of the Board of Directors are carried into effect except in those instances in which that responsibility is specifically assigned to some other person by the Board of Directors; (c) in general shall discharge all duties incident and necessary to the office of President and such other duties as

may be prescribed by the Board of Directors from time to time ; and (d) preside at all meetings of the ~~and the~~ Board of Directors.

Section 5 Vice President

5.1 The Vice President shall assist the President in the discharge of his/her duties as the President may direct and shall perform such other duties as from time to time may be assigned by the President or the Board of Directors. In the absence of the President, or in the event of his/her inability or refusal to act, the Vice President shall assume the duties of the President.

Section 6 Treasurer

6.1 The Treasurer shall be the principle accounting and financial officer of the Foundation. He/she shall: (a) have charge of and be responsible for the maintenance of adequate books of account for the Foundation; (b) have charge and custody of all funds of the Foundation and be responsible therefore for the receipt and disbursement thereof; and (c) perform all the duties incident to the office of Treasurer and such other duties as from time to time maybe assigned to him/her by the President or the Board of Directors. The position of Treasurer of the Foundation shall not be filled by the Treasurer of the Club. The Treasurer shall not be the sole signatory to any check reimbursing he/she for personal expenses.

Section 7 Secretary

7.1 The Secretary shall: (a) record the minutes ~~of the meeting~~ of the meetings of the Board of Directors in one or more books provided for the purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; and (c) be custodian of the Corporate Records.

**ARTICLE V**

**BUDGET, GRANTS AND SCHOLARSHIPS**

Section 1 Annual Budget

1.1 The Board of Directors shall establish an annual budget which shall become the Budget of the Foundation upon its approval by the Board of Directors of the Rotary Club. The Foundation shall make available or provide all members of the Rotary Club a copy of the Budget upon its adoption by the Board of Directors of the Rotary Club.

Section 2 Grants and Scholarships

2.1 Scholarship awards shall be made in accordance with the policies established by the Board of Directors.

Section 3 Local and International Projects

3.1 The manner of selection of beneficiaries for grants and awards to be made by the Foundation shall be determined by the Board of Directors. The selection process

shall at all times encourage the application by organizations whose ideal and mission are consistent with the objects of Rotary International. The terms and conditions of any grant awarded shall be at the discretion of the Board of Directors. All grants shall be subject to approval by the Board of Directors of the Rotary Club.

3.2 The Board of Directors shall make a full report to the Rotary Club at a regular meeting of the Club which shall identify all major beneficiaries of the Foundation.

Section 4 Nominal Grants

4.1 Grants and awards made to specific beneficiaries identified in the Foundation Budget and gifts and awards charged to a miscellaneous line item in the Budget which do not exceed \$3,000 may be awarded by the Board of Directors or a committee of the Board of Directors, established and authorized by the Board of Directors to interview, evaluate and select recipients.

Section 5 Grant Policy

5.1 The following persons are ineligible for any award or grant from the Foundation: (a) a Rotarian, with the exception of all volunteer services as identified by the Board of Directors; (b) an employee of a club, district or other Rotary entity, or Rotary International; (c) a spouse, a lineal descendant (child or grandchild by blood and any legally adopted child), a spouse of a lineal descendant, or an ancestor (parent or grandparent by blood) of any person in categories (a) or (b).

**ARTICLE VI**

**CONTRACTS, LOANS, CHECKS AND DEPOSITS**

Section 1 Contracts

1.1 The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation, and such authority may be general or confined to specific instances.

Section 2 Loans

2.1 No loans shall be contracted on behalf of the Foundation and no evidence of indebtedness shall be issued in its name unless authorized by a Resolution of the Board of Directors of the Foundation and of the Board of Directors of the Rotary Club.

Section 3 Deposits

3.1 All funds of the Foundation, not otherwise employed, shall be deposited from time to time, to the credit of the Foundation in such banks, trust companies or other depositories as the Board of Directors may select. Foundation funds and funds of the Rotary Club may not be kept in the same account.

**ARTICLE VII**

**FISCAL YEAR**

The fiscal year of the Foundation shall be fixed by resolution of the Board of Directors of the Foundation.

**ARTICLE VIII**

**INDEMNIFICATION OF OFFICERS, DIRECTORS AND AGENTS**

The Foundation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is or was a Director or Officer of the Foundation against expenses (including attorney's fees), judgements, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interest of the Foundation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of action, suit or proceeding by judgement or settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interest of the Foundation, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

**ARTICLE IX**

**AMENDMENTS**

Section 1      Power to Amend Bylaws

1.1      The power to amend these Bylaws is vested with the Board of Directors of the Rotary Club.

1.2      These Bylaws may be amended only by a resolution adopted by the Board of Directors of the Rotary Club and shall be amended on the adoption of such resolution.